

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1333 - SB 1447**

April 22, 2021

**SUMMARY OF BILL:** Authorizes a public charter school to give enrollment preference to at-risk students if an enrollment lottery is conducted.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – If a public charter schools establishes an enrollment lottery with a preference that is not permitted by the federal Charter School Program, the violation may jeopardize federal grant awards in excess of \$19,000,000.**

Assumptions:

- The proposed legislation establishes a lottery preference for at-risk students in kindergarten through grade 12 within charter schools that is disallowed under the federal Charter School Program (CSP).
- Based on information provided by the Department of Education (DOE), a 2018 U.S. Department of Education review cited DOE for allowing the use of disallowed preferences in public charter school lotteries.
- Tennessee's current CSP grant of approximately \$19,500,000 expires September 30, 2021.
- The process for public charter school enrollment lotteries is already established and adding additional criteria can be accomplished within existing resources; however, using a disallowed lottery preference could risk an award in excess of \$19,000,000 designated for Tennessee's charter schools under the next CSP grant cycle.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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